

Michigan Committee on Governmental Auditing and Accounting

Draft Meeting Minutes

Thursday, January 13, 2022, at 10:00 a.m.

Virtual Public Meeting
Via Microsoft TEAMS

1. Call to order: 10:03AM

2. Introductions/Roll Call

In attendance: Cary Vaughn, Rod Taylor, Bill Tucker, Michael Slater, Stephen Blann, Rana Emmons, Marie Stiegel, Pauline Bennett, Richelle Jimenez

3. Approval of Meeting minutes – all approved

Rod Taylor discussed ARPA disbursements and new ruling to group.

Regular Agenda:

4. Lead sheet modifications/improvements – APR changes to help audit reviews (Rod Taylor discussed the reason behind these changes and also the history of change and processes. Stephan Blann remembers talking about APR changes in the past. Cary Vaughn went over APR and CAP modification spreadsheet.)

3 Year negative trend

Letter comes out if three-year negative trend occurs

Need to make note of which fund and why the fund has excess expenditures over revenues.

Proposed “general” or “primary” to clear it up.

Corrective Action Plan letter would also be revised. Rod Taylor discussed trying to send the requests to only the communities that need additional review.

Rod Taylor discussed fund balance differences to try and work through the flaws and standards that may come into play.

Marie Stiegel spoke of unassigned/unrestricted fund balance adding it to APR and adding definition as like the deficit elimination plan.

Stephen Blann spoke of questions we could remove from the APR and which should stay.

Proposed to look into using the municipality type and fiscal year end to add into the formula of fund balances issues.

Over budget questions

Proposing changing variances to 25%.

Stephen Blann inquired about just having one question in regards to budget overages: "Any line items expenditure in general or major special revenue funds over by more than 5% of total budgeted expenditures in that fund."

Marie Stiegel talked about which funds we would be asking these questions on. (Only those required for RSI)

Stephen Blann – maybe have 2 questions? Total and then line? Cary doesn't believe if we are just asking for total over, that we won't catch enough of what we are looking for.

Rod mentioned to group to go through APR to suggest any other changes.

5. Road Commission Manual

GAAP revisions – addressed in next manual?

ACT 51 reporting included and that MDOT is on board

Goal to get out by end of January

6. Budget Manual

Almost done – just needs a final review and then will go to MCGAA for their review.

7. Chart Chat – Accounting topics

Feb 16th

Accounting

Suggestion: Census changes for state distributions – any retro effects? – Maybe better for other tools webinar. (2 weeks)

Suggestion: ARPA reporting April 30th – maybe one before that speak on that.

Fiscal Scoring

Other

8. MDOT Transit Accounting Manual

Compliance issues in a separate manual

Act 51 transits - guidance

Support from group on what Cary Vaughn had noted

9. Numbered Letters

Revision project – no new letters, just original and revised dates

New state website might help search the numbered letters

20% a year revisions

Go through with staff to see what changes we should make and then bring back to committee.

10. Next meeting dates

Meeting closed: 11:26 AM